

1 SENATE BILL NO. 22

2 INTRODUCED BY L. NELSON, E. CLARK, J. KEANE, J. TESTER, J. WITT, L. LEHMAN

3 BY REQUEST OF THE DEPARTMENT OF AGRICULTURE

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5 A BILL FOR AN ACT ENTITLED: "AN ACT AMENDING THE MONTANA AGRICULTURAL SEED LAWS TO
6 ESTABLISH NEW LICENSING AND ASSESSMENT FEES, TO ESTABLISH MINIMUM AND MAXIMUM
7 LICENSING AND ASSESSMENT FEES, AND TO AUTHORIZE THE DEPARTMENT OF AGRICULTURE TO
8 ADJUST THESE FEES BY RULE; AMENDING SECTIONS 80-5-130 AND 80-5-131, MCA; AND PROVIDING
9 AN IMMEDIATE EFFECTIVE DATE."

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11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

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13 **Section 1.** Section 80-5-130, MCA, is amended to read:

14 **"80-5-130. Licensing -- application -- fee.** (1) All facilities located in the state that condition agricultural
15 seed shall obtain a license from the department for each facility. However, a seed grower, when conditioning
16 only seed from that grower's own production, is not required to be licensed under this part.

17 (2) Each seed conditioning plant ~~must~~ shall post in a conspicuous location in the facility:

- 18 (a) its fees for conditioning services; and
19 (b) the license for the facility.

20 (3) A person whose name and address appear on the label of agricultural seed sold in Montana, as
21 required by 80-5-123, shall obtain a seed labeler's license from the department before doing business in
22 Montana. The following persons, however, are excluded from the licensing requirements under this subsection:

- 23 (a) a Montana certified seed grower when labeling certified seed from that grower's own production;
24 (b) any person who updates germination test data by affixing to the package of seed a supplemental
25 label bearing new germination data, the lot number, and the person's name and address; or
26 (c) a Montana grower who labels seed only of that labeler's own production with a gross annual sales
27 value of \$5,000 or less.

28 (4) A person who sells agricultural seed in Montana shall obtain a seed dealer's license from the
29 department for each place where seed is located or sold, except for:

- 30 (a) a person who sells seed only in sealed packages of 10 pounds or less;

- 1 (b) a person who sells seed that has a gross sales value of \$1,000 or less a year;
- 2 (c) a person who sells seed only to a Montana-licensed seed dealer, labeler, or conditioner; or
- 3 (d) a Montana grower selling only seed of that grower's own production with a gross annual sales value
- 4 of \$5,000 or less.
- 5 (5) (a) ~~Each type of license for an in-state person costs \$50 a year. Except as provided in this~~
- 6 ~~subsection (5), the fee is \$55 a year for each type of license. The department may by rule adjust the license fee~~
- 7 ~~by type of license to maintain adequate funding for the administration of this part. The fee may not be less than~~
- 8 ~~\$55 a year or more than \$75 a year.~~
- 9 (b) ~~The~~ Except as provided in this subsection (5)(b), the license fee for an out-of-state person selling
- 10 seed in Montana is \$100 \$110 a year. The department may by rule adjust the license fee to maintain adequate
- 11 funding for the administration of this part. The fee may not be less than \$110 a year or more than \$150 a year.
- 12 (c) ~~The license fee for an out-of-state person who labels seed that is being sold in Montana is \$50 a~~
- 13 ~~year.~~
- 14 ~~_____ (d) The license fee for a person who sells only lawn and turf grass seed is \$50 a year.~~
- 15 (e)(c) The Except as provided in this subsection (5)(c), the license fee for a Montana grower who sells,
- 16 or labels, or sells and labels only seed of that grower's own production is \$50 \$55 a year. The department may
- 17 by rule adjust the license fee to maintain adequate funding for the administration of this part. The fee may not
- 18 be less than \$55 a year or more than \$75 a year.
- 19 (6) An application for a license under this section must be made in a manner and on forms provided
- 20 by the department. The application must contain ~~among other things~~:
- 21 (a) the location of each seed conditioning plant if the application is for a seed conditioning plant license;
- 22 (b) a sample label if the application is for a seed labeler license; and
- 23 (c) a list of persons selling seed if required by department rule.
- 24 (7) Seed dealers shall provide with all shipments of agricultural seed a bill of lading or other evidence
- 25 of delivery that includes:
- 26 (a) the names of:
- 27 (i) the seed dealer;
- 28 (ii) the shipper, if other than the seed dealer;
- 29 (iii) the buyer; and
- 30 (iv) the receiver, if other than the buyer; and

1 (b) the destination where the seed will be first unloaded."
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3 **Section 2.** Section 80-5-131, MCA, is amended to read:

4 **"80-5-131. Assessment on sales into Montana -- reporting -- rulemaking.** (1) ~~Seed~~ Except as
5 provided in this subsection, seed labelers located outside Montana who sell agricultural seed in Montana shall
6 report those sales and pay a fee of ~~45~~ 20 cents per \$100 in gross annual sales of agricultural seed. The
7 department may by rule adjust the assessment fee to maintain adequate funding for the administration of this
8 part. The assessment fee may not be less than 20 cents per \$100 or more than 30 cents per \$100 in gross
9 annual sales of agricultural seed.

10 (2) The department shall by rule establish:

11 (a) reporting requirements, including persons who shall report, the form of reports, and the scope of
12 information to be reported;

13 (b) the due date applicable to reports; and

14 (c) penalty provisions applicable to reports that are not received by the due date, not to exceed \$10 or
15 10% of the assessment due, whichever is greater.

16 (3) Failure to submit the report as required or to pay the assessment in full constitutes a violation subject
17 to the penalty provisions of this chapter."
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19 NEW SECTION. **Section 3. Effective date.** [This act] is effective on passage and approval.

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